

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:88

ANSWERED ON:16.11.2016

Proposal for bail out

Simha Shri Prathap

Will the Minister of RAILWAYS be pleased to state:

- (a) whether railways has initiated a proposal for the bail out to foot higher wage bill from the Finance Ministry, including waiver of dividend payment;
- (b) whether Railways is 8-10% short of revenue target during the 1st quarter of the current financial year;
- (c) whether Railways has also requested Finance Ministry to share the Service Tax collected from railway services, if so, whether Finance Ministry has acceded to proposal of Railways;
- (d) whether Railways has also requested Ministry of Defence and Ministry of Social Justice and Empowerment to provide for the concessional tickets offered to defence personnel and Persons with Disabilities, if so, response of these Ministries to share the subsidy burden; and
- (e) the measures being taken by the Ministry to implement 7th Pay Commission award?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS

(SHRI RAJEN GOHAIN)

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF UNSTARRED QUESTION NO.88 BY SHRI PRATHAP SIMHA TO BE ANSWERED IN LOK SABHA ON 16.11.2016 REGARDING PROPOSAL FOR BAIL OUT

(a) & (b): Impact of implementing recommendations of the 7th Central Pay Commission on pay and pension assessed to be around Rs.20,000 crore annually has been provided in the expenditure budgeted for 2016-17. However, in view of trend of shortfall in earnings in the current year which in the 1st quarter fell short of the proportionate target by Rs.6,755 crore (14.8%), some steps need to be taken to avoid eventuality of having inadequate resources to meet the expenditure. These may, besides increasing earnings & economy measures to curb expenditure; include deferring the payment of dividend, seeking help of the Ministry of Finance for reimbursing cost of social services obligation being borne by the Railway, etc.

(c) & (d): No request as such has been made to Ministry of Finance, Ministry of Defence & Ministry of Social Justice and Empowerment.

(e): The recommendations of the 7th Central Pay Commission as approved by Government have been implemented on Railways.
